
OLR Bill Analysis

sHB 6545

AN ACT CONCERNING MEDICAID DRUG STEP THERAPY.

SUMMARY:

This bill authorizes the Department of Social Services (DSS) commissioner to establish a step therapy program for prescription drugs dispensed to Medicaid recipients. (The bill does not define step therapy.) Under the program, DSS may condition Medicaid payments to pharmacies on a patient first trying a drug that is on DSS's preferred drug list (PDL) for seven days. Under the bill, the step therapy program must:

1. require that the patient try and fail on only one drug on the PDL before another one can be prescribed and be eligible for DSS payment (presumably the other drug would not have to be on the PDL);
2. not apply to any mental health-related drugs;
3. not apply to a maintenance drug (i.e., a drug generally prescribed for a condition treated on an ongoing basis, either with continuous medication or on an as-needed basis) for which a prescription was filled during the preceding 180 days; and
4. give the prescriber access to a clear and convenient process to expeditiously request DSS to override the step therapy drug under certain circumstances.

The bill requires DSS to grant an override of the step therapy drug restriction if certain conditions exist. It (1) permits the prescriber to deem the treatment clinically ineffective after the seven days and (2) requires Medicaid to pay for the drug the prescriber prescribes and recommends instead when this occurs.

It appears that the state's prior authorization law would require a pharmacist to dispense, and DSS to reimburse, a 14-day supply of a non-preferred drug when a prescriber has requested an override of the step therapy drug but a decision to grant has not be made by the time the patient is ready to leave the pharmacy (see BACKGROUND).

EFFECTIVE DATE: July 1, 2013

CONDITIONS FOR OVERRIDING STEP THERAPY RESTRICTIONS

The bill requires DSS to expeditiously grant an override of the step therapy restriction if the prescriber demonstrates that the step therapy drug:

1. has been ineffective in treating the patient's medical condition in the past (presumably the same medical condition) or is expected to be ineffective based on the (a) patient's known relevant physical or mental characteristics and (b) drug regimen's known characteristics;
2. will cause or will likely cause an adverse reaction or other physical harm to the patient; and
3. is not in the patient's best interest to provide the recommended therapy or drug based on medical necessity.

BACKGROUND

Preferred Drug List (PDL)

By law, DSS maintains a PDL, which is a list of drugs for which DSS will reimburse pharmacists when they dispense the drugs to Medicaid recipients. By law, if a practitioner prescribes a drug that is not on the PDL, the pharmacist must receive prior authorization from DSS before it can be paid for dispensing the drug. Prior authorization is not required for any mental health-related drug that has been filled or refilled, in any dosage, at least once in the previous year. When prior authorization is granted, it is valid for one year from when the drug is filled. (By law, drugs used to treat AIDS and AIDS-related illness may not be on the PDL (CGS § 17b-274d(f)).

If prior authorization is required and the pharmacist is unable to obtain the prescriber's authorization at the time the prescription is presented, the law requires the pharmacist to dispense a one-time 14-day supply. By law, DSS issues a flier to pharmacies to distribute to Medicaid recipients, letting them know that they need to contact the prescriber to get the full amount of the non-preferred drug (CGS § 17b-491a).

COMMITTEE ACTION

Human Services Committee

Joint Favorable Substitute Change of Reference

Yea 18 Nay 0 (04/02/2013)

Appropriations Committee

Joint Favorable Substitute

Yea 52 Nay 0 (04/22/2013)